### **JOURNAL**

OF THE

## House of Representatives

OF THE

FIRST CALLED SESSION

OF THE

# Seventy-second Legislature

OF THE

STATE OF TEXAS

BEGUN AND HELD AT THE CITY OF AUSTIN JULY 15, 1991



#### ADDRESS BY GOVERNOR ANN W. RICHARDS

(The House of Representatives and the Senate in Joint Session)

In accordance with the provisions of SCR 1, providing for a joint session of the senate and the house of representatives at 11 a.m. today, for the purpose of hearing an address by the Honorable Ann W. Richards, Governor of the State of Texas, Lieutenant Governor Bob Bullock and the honorable senators were announced at the door of the house and were admitted.

The senators occupied seats arranged for them.

Lieutenant Governor Bob Bullock was escorted to a seat on the speaker's rostrum.

At 11 a.m., the Honorable Ann W. Richards, Governor of the State of Texas, escorted by Senators Brooks (chair), O. H. Harris, Leedom, Parker, and Truan, committee on the part of the senate; and Representatives Delco (chair), Junell, Rangel, Telford, and Watkins, committee on the part of the house, were announced at the door of the house and, being admitted, were escorted to the speaker's rostrum.

Lieutenant Governor Bullock called the senate to order.

A quorum of the senate was announced present.

The Honorable Gibson D. Lewis, Speaker of the House, called the house of representatives to order.

A quorum of the house was announced present.

Speaker Lewis stated that the two houses were in joint session pursuant to SCR 1 for the purpose of hearing an address by the Honorable Ann W. Richards.

Speaker Lewis introduced Comptroller John Sharp.

Speaker Lewis introduced Lieutenant Governor Bob Bullock, who introduced Ann W. Richards, Governor of the State of Texas, to the joint session.

Governor Richards then addressed the joint session, speaking as follows:

Good morning and welcome back to Austin.

I want to begin by expressing my gratitude to the man of the hour, the man who took on the difficult task of auditing every state agency, and came back with a report that gives us an opportunity to break the mold without breaking the bank.

Thank you, John Sharp.

We also owe thanks to the lieutenant governor whose unmatched understanding of state finance led him to insist that we conduct the audits and keep our options open.

Thank you, Bob Bullock.

And Mr. Speaker, when you received pressure from any number of quarters to get on with writing a budget and tax bill before the audits were completed, you stood firm.

Thank you, Gib Lewis.

Thanks to the leadership of these three men and the patience of this legislature, we are now beginning a session where there is not even a remote possibility of an income tax.

While we are offering thanks this morning, I must also make special mention of three state leaders who increased my knowledge during the interim.

I have learned a lot of valuable lessons in the last six months, but none so valuable as what I learned from Congressman Charles Stenholm, Senator Steve Carriker, and Representative David Counts when they accompanied me to the Stamford Cowboy Reunion Rodeo.

At that rodeo, we watched a wild mare race which, for the uninitiated among you, involves four cowboys trying to get a saddle on a wild horse and then ride it.

Stenholm, Carriker, and Counts informed me that one of the cowboys has the job of settling the horse down. And the way he does it is to bite the horse's ear.

And it occurred to me that what we are undertaking this session is much the same.

We are biting the ear of government: settling it down long enough to get a saddle on it and turn it into a workhorse.

And I plan to do my part.

I have asked all my appointees to boards and commissions, including boards of regents, to come to Austin this week.

We are going to have a heart-to-heart talk.

And the message is that no agency of government is a sacred cow, and no one is exempt from the duty to find ways to save money in hard times.

I want this legislature to know that you are not being asked to make hard decisions and take the heat alone.

Instead of drawing a line in the dirt and daring you to take the first step over it, this administration will stand with you to deliver for the people of Texas.

During this session, we have three major tasks: eliminating and consolidating state agencies, developing a budget that allows us to give the people the services they want at a price they can afford, and then and only then—after all other alternatives are exhausted—we consider the revenue side.

Right now, we have a state government that is like a huge complex of fun house mirrors. When you try to navigate or get anything done, you meet yourself coming and going.

If you have a health or human services problem, you confront 14 health and

human services agencies that among them oversee something on the order of 300 programs.

If you want a license, you can run down the list of 28 free-standing licensing agencies.

If you are out of work, you look for jobs at one agency, look for information on future prospects of occupations from another, and you investigate the possibility of training in scores of unconnected agencies.

And if you want to talk to someone who is in charge—good luck.

One of the incredible facts that came out of Sharp's report is that the 26 largest agencies of state government have 338 advisory boards with 4,000 members at a direct cost of five million dollars.

And the indirect costs are enormous.

When the department of commerce sent a delegation on a ribbon-cutting trip to Frankfurt, they had a refueling stop in Paris that lasted three days.

And when we called them on it, they did nothing, because the person who ran commerce was hired by a board appointed by somebody else, and he said he was not responsible because he was just doing what his board told him to do, and the board said they followed the executive director's lead.

And I am telling you that we can cut and consolidate to a fare-thee-well, but it won't do any good as long as we have to depend on a system where oversight is assigned to voluntary boards who are often the captives of the bureaucracy rather than its masters.

We will never end this syndrome of "the board made me do it" and "it's not my job" until the agencies of this state know that they can be held to account not every two years, but every day.

Every time we make a budget, we take what we spent last time and add on to it.

We don't question whether what we spent was necessary—at the time of the expenditure or after the fact.

It is time for us to question—not only when the budget is made, but when the budget is spent.

Holding the bureaucracy to account for their actions and their spending requires a governor that has the authority to hire and fire and a legislature that shares interim control and oversight of the budget.

We must establish specific goals to measure fiscal responsibility and governmental achievement.

We cannot do it all overnight; there must be a careful and well-organized transition that allows us to avoid confusion and disruption.

But we must begin this biennium with a budget that starts lean and stays lean. I am urging you to stick with Sharp's bottom line and give us the tools we need to make it work.

And I am asking you to include in that budget the dollars that allow us to keep commitments we have made.

We committed to health insurance for teachers, and we should keep that commitment.

We committed to fair treatment for retirees, and we should keep that commitment by providing a five percent cost-of-living increase for retired teachers, many of whom are living below the poverty level. We committed to reducing the threat of crime caused by drug and alcohol abuse, and we can keep that commitment by funding the program that will require inmates to kick their addictions before we set them loose.

We made a promise to the court and the schoolchildren of Texas, and we must keep that promise by fully funding the school finance bill.

And if additional revenues are needed to keep those promises, we should use that need as an opportunity to take important actions.

Number one, we should allow the people to vote on a lottery. It is the rarest of all creatures: a popular way to generate revenue.

And number two, we must restructure the franchise tax. Conceived in 1907, it has remained fundamentally unchanged and there is widespread agreement within the business community that it is unfair and a true impediment to economic growth.

We can reform that tax and generate dollars more fairly.

The work laid out for this session is massive and complex, but we have had six months of preparation and anticipation.

We have done our homework and we have good reason to hope that this summer school session of ours is short and successful.

There is a sense of unanimity in this session unlike anything we have seen in a long time.

Everyone here knows I am a Democrat, have been all my life, and proud of it. But the issues before us are neither Democratic nor Republican—they are challenges for Texas—and opportunities for the Texans in this room to create a government that works as hard as the taxpayers who pay our salaries.

This Democrat was elected governor of all Texans, and I intend to do my best to create an atmosphere where all of us—Democrats and Republicans—can work together.

That may sound naive, but maybe this is our opportunity to indulge in a little naivete: to strip away the skepticism that too often develops in political life and get back to the high purpose that drew most of us to public service in the first place.

The speaker, the lieutenant governor, and I have worked hard to reach agreement.

With the help of members who called with suggestions and encouragement and able staffs that have worked around the clock for weeks, we have gotten this horse settled down and saddled.

We have led the horse to water.

But only you can make it drink.

The people of Texas are counting on you, and we are expecting nothing but the best.

#### SENATE ADJOURNS

At 11:16 a.m., Lieutenant Governor Bullock stated that the business of the joint session had been accomplished and that the senate would, in accordance with a previous motion, stand adjourned until 9 a.m. tomorrow.

#### **HOUSE AT EASE**

At 11:16 a.m., the speaker announced that the house would stand at ease pending the departure of guests.

The speaker called the house to order at 11:23 a.m.